

**IN THE EMPLOYMENT RELATIONS AUTHORITY
WELLINGTON**

WA 151/10
File Number: 5297733

BETWEEN Anne Abbott
 Applicant

AND Chief Executive, Whitireia
 Polytechnic
 Respondent

Member of Authority: Denis Asher

Representatives: Peter Cranney for Ms Abbott
 Jaesen Sumner for the Polytechnic

Investigation Meeting Wellington, 29 July 2010

Submissions Received 21 September 2010

Determination: 27 September 2010

DETERMINATION OF THE AUTHORITY

The Problem

[1] Are the maths workbooks (the workbooks) created by Ms Abbott's her intellectual property or that of that respondent (Whitireia)?

[2] Each party seeks costs.

The Investigation

[3] During a telephone conference call on 21 May 2010 the parties agreed to an investigation in Wellington on Thursday, 29 July. Agreement was also reached on timelines for witness statements and a bundle of documents.

[4] Efforts by the parties during and after the investigation to settle this matter on their own terms were unsuccessful.

Background

[5] The relevant facts are not in dispute.

[6] Ms Abbott has been employed by Whitireia since 13 March 1989 and currently holds a part-time position (28.8 hours per week) of Tutor, Foundation Education. Ms Abbott was initially the only tutor involved in the respondent's Foundation Education Maths Programme (FEMP) but now there are two others.

[7] During this time, and ending in 2007, she also contracted to undertake moderation work for NZQA. Ms Abbott also undertakes other secondary employment including private tuition.

[8] From 1999 Ms Abbott developed, and continues to update and change, the workbooks that are in contention.

[9] In 2004 Whitireia revised its Intellectual Property Policy (IPP). It presumes that intellectual property belongs to the respondent when it is created by "*... a staff member in the course of their polytechnic employment, or when using polytechnic time, resources or facilities ...*" (par 4.1, p 6 of the agreed bundle).

[10] Conversely, the IPP presumes intellectual property belongs to an individual when it is created by "*... a staff member as a private individual who is not using polytechnic time, resources or facilities, even if the work is then used for teaching purposes ...*" (par 4.2, above).

[11] Whitireia wrote to Ms Abbott on 11 & 20 November 2009 asserting ownership of the workbooks. It requested she provide the respondent with an electronic copy of all teaching and learning materials related to its FEMP developed by her in the course of her employment and raised the possibility of disciplinary action.

[12] Whitireia also threatened Ms Abbott with disciplinary action if she did not accede to its request. I note here the observations of the Court of Appeal in *Sky Network Television Ltd v Duncan* [1998] 3 ERNZ 917, that parties should attempt to resolve disputes before disciplinary action is undertaken.

[13] Whitireia says the workbooks are central to its FEMP and should be in its possession: Ms Abbott disagrees and says she can undertake her work without use of the workbooks.

[14] Whitireia says that all tutors, including Ms Abbott, are required to develop programmes to assist student learning and that the remuneration paid the applicant and other tutors covers any work done outside normal student contact hours, including preparation, marking or development of resources. For these reasons, while also relying on its IPP, the provisions in Ms Abbott's employment agreement and ss 21 (2) of the Copyright Act 1994, the respondent says the books belong to it.

[15] Ms Abbott rejected Whitireia's demands and approach on the ground that the workbooks were her intellectual property. She says she developed them, from 1999, in about 500 hours of her own time, and uses them in her secondary employment while providing the respondent with hard copies of the workbooks and access to them.

[16] Meetings then took place between the parties but the matter remained unresolved.

Respondent's Position Summarised

[17] The Polytechnic says, amongst other things, that:

- a. The disputed workbooks were developed by Ms Abbott during the course of her employment for its FEMP. They are provided to every student in the programme and are solely used to teach the FEMP.
- b. The workbooks are an essential tool in assisting student learning and are therefore an important resource of the Polytechnic.
- c. Because Ms Abbott job description and her employment agreement require her to develop and implement programmes to assist student learning, there is a causal link between her job description and the development of the workbooks.
- d. The IPP is not an express term and condition of the applicant's employment agreement. However, clause 1.9 of Ms Abbott's employment agreement provides that the applicant acknowledges the right and responsibility of the employer to develop policies in order to manager its institution. The IPP provides that it does not affect rights assigned by legislation. If the IPP applies to this matter, it results in the same outcome as if the Copyright Act 1994 was applied.
- e. Ms Abbott designed, implemented and developed the workbooks for the purpose of delivering the FEMP.
- f. The development and maintenance of the workbooks falls within Ms Abbott's duties and responsibilities of employment; and
- g. Ms Abbott has admitted using the respondent's resources, namely the course outline and programme requirements, to produce the workbooks. The Polytechnic rejects the applicant's claim she created and updated the workbooks solely outside work hours.

Applicant's Position Summarised

[18] Ms Abbott says she owns the workbooks because she created them in her own time, using her own resources and not in the course of her employment, and because Whitireia's own policy attributes ownership to her.

[19] The content of the workbooks is largely the mathematics curriculum of the Department of Education.

[20] As the evidence makes clear, the workbooks were developed not for the FEMP but for a broader purpose.

[21] The applicant is also subject to a policy that specifically and directly addressed the ownership issue, i.e. the private creation of literary works which are then “*used for teaching purposes*” (Whitireia Intellectual Property Policy, para 4.2, p 6 of the agreed bundle).

[22] In order to establish that the workbooks belong to it Whitireia must establish they were made by Ms Abbott in her capacity as its employee pursuant to an unambiguous contractual employment obligation: neither of these requirements have been established.

[23] The applicant’s offer, at the Authority’s investigation, of permanent use of the workbooks free of charge to resolve this dispute was rejected by Whitireia.

[24] The respondent can claim the fruits of Ms Abbott’s labour only if she created the work “*in the course of (her) employment*”. There is an evidential foundation established in Ms Abbott’s favour; Whitireia has not established its case.

Discussion and Findings

[25] The issue in dispute is whether the casebooks were made “*in the course*” of Ms Abbott’s employment. That is because of the effect of s. 21 of the Copyright Act 1994 (the Act) which provides that (emphasis added):

- (1) *Subject to the provisions of this section, the person who is the author of a work is the first owner of any copyright in the work.*
- (2) *Where an employee makes, **in the course of** his or her employment, a literary... work, that person’s employer is the first owner of any copyright in the work.*

[26] The respondent concedes that the IPP is not an express term and condition of the applicant's employment agreement but says that, if it applied to this matter, it results in the same outcome as if the Act was applied.

[27] This issue was explored in the Court of Appeal in *Empress Abalone Ltd v Langdon* [2000] 2 ERNZ 53. In its judgement the Court found the Employment Court's approach to the construction of the contract too narrow in law (in that the Employment Court failed to have regard to other evidence bearing on Mr Langdon's employment) and referred the matter back to that Court to reconsider in light of its judgement. As it happened, after reconsideration, the Employment Court upheld its earlier decision against the applicant (*Empress Abalone Ltd v Langdon* [2000] 2 ERNZ 481).

[28] Questions explored by the Court of Appeal in *Empress* included, what was an employer entitled to expect of an employee? What was the extent of the duty arising from the employment? What was the scope of the contract? Did the intellectual and related property in issue come within it? The Court observed that the answer will ultimately be one of fact in any case (pars 11 & 12, above).

[29] In its judgement, the Court of Appeal cited *Greater Glasgow Health Board's Application* [1996] RPC 207, which found that a duty to treat patients did not extend to devising new ways of diagnosis and treatment. A registrar was found to be entitled to an invention he had made which related to his work: "*While his invention might be a useful accessory to his contracted work, it was not really part of it. (T)he invention is the property of the employer only if the employee made it in the course of employment as part of the employee's duty*" (*Empress*, above, par 8).

[30] *Glasgow* quoted with approval from *Stephenson Jordan & Harrison v MacDonald & Evans* (1952) 69 R.P.C. 10. That judgement dealt with s. 5 (1) (b) of the English Copyright Act 1911 and its application of the term "*course of employment*", which was described as meaning much the same as "*normal duties*" (*223).

[31] *Stephenson* was described as containing "*a good illustration*" including "*when a doctor ... is employed under a contract of service to give lectures or lessons orally to students. If he, for his own convenience, puts the lectures in writing, then his written work is*

not done under the contract of service. It is most useful as an accessory to his contracted work but it is not really part of it. The copyright is in him and not in his employers” (above).

[32] Like the *Glasgow* registrar, and consistent with the Court of Appeal’s distinction between mousetraps and pearls (see *Empress*, above), a factual analysis of Ms Abbott’s contract and duty is required. To that end I start with Ms Abbott’s job description. It does not specify the production of workbooks but rather sets out general obligations such as,

To select and apply teaching and/or learning strategies to promote effective learning consistent with each individual student’s learning needs ...

To implement quality programmes which enhance student learning ...

To contribute to the development and implementation of means of assessing student learning

(pages 31 & 32 of the agreed bundle)

[33] I note here Ms Abbott’s uncontested evidence, that she can meet these requirements, as do her colleagues at present – who presumably are under similar obligations – without the use of her workbooks. I do not understand Ms Abbott’s colleagues to be under any direction or pressure to produce workbooks.

[34] I have also had regard to schedule C of Ms Abbott’s employment agreement: it sets out similar, generalised requirements. It provides that senior academic staff members should:

Design, implement, develop and evaluate new and existing programmes of learning.

Select and apply teaching and/or learning strategies consistent with individual student learning needs; and

Plan, implement and evaluate programmes for the assessment of student learning.

(para 47 of respondent’s closing submissions dated 13 August)

[35] Consistent with the above judgements and after having regard to the scope of Ms Abbott's contract and her duty of employment, and in particular noting that there is no express requirement that Ms Abbott create the workbooks, and despite the usefulness of the workbooks to the respondent, I find that the disputed property is the applicant's property. While the workbooks arose out of her employment and are informed by it, they nonetheless were the result of the applicant's intellectual curiosity and sense of professionalism and do not belong to Whitireia. Because of the absence of specific terms, Ms Abbott could not be subject to any disciplinary action were she to cease producing the workbooks.

[36] I find therefore, after regard to the spectrum implied by the Court of Appeal in its *Empress* (above) judgement, and in the context of a finely balanced argument, Ms Abbott is the first owner of her work as the workbooks were not created by her in the course of her employment.

Determination

[37] I find in favour of Ms Abbott's claim that the disputed intellectual property, the workbooks, belong to her.

[38] As requested, costs are reserved.

Denis Asher

Member of the Employment Relations Authority